

# CITY OF MONTGOMERY, TEXAS



## REQUEST FOR QUALIFICATIONS For FINANCIAL ADVISOR

October 28, 2016

## **FINANCIAL ADVISOR**

Please submit relevant information related to the areas listed below in order to distinguish the firm's qualifications and experience, including:

1. Relevant experience of the individuals to be assigned to the issuer, identification of the individual in charge of day-to-day management, and the percentage of time committed for each individual on the account.
2. Relevant experience of the firm with financings of the issuer or comparable issuers and financings of similar size, types and structures, including financings in same state.
3. Discussion of the firm's municipal advisory experience necessary to assist issuers with either competitive or negotiated sales.
4. Demonstration of the firm's understanding of the issuer's financial situation, including ideas on how the issuer should approach financing issues such as bond structures, credit rating strategies and investor marketing strategies.
5. Demonstration of the firm's knowledge of local political, economic, legal or other issues that may affect the proposed financing.
6. Discussion of the firm's familiarity with GFOA's Best Practices relating to the selling of bonds and the selection of finance professionals.
7. Disclosure of the firm's affiliation or relationship with any broker-dealer and whether any personnel of the municipal advisor firm who would provide advice to the issuer were associated with a broker-dealer firm within the two years preceding the RFP.
8. Analytic capability of the firm and assigned individuals and the availability of ongoing training and educational services that could be provided to the issuer.
9. Description of the firm's access to sources of current market information to assist in pricing of negotiated sales and information to assist the issuer in planning and executing competitive sales.
10. Amounts and types of insurance carried, including the deductible amount, to cover errors and omissions, improper judgments, or negligence.
11. Disclosure of any finder's fees, fee splitting, payments to consultants, or other contractual arrangements of the firm that could present a real or perceived conflict of interest.
12. Disclosure of any pending investigation of the firm or enforcement or disciplinary actions taken within the past three years by the SEC, FINRA, MSRB, or other regulatory bodies.

**REQUEST FOR QUALIFICATIONS  
For  
FINANCIAL ADVISOR AND BOND COUNSEL**

The City of Montgomery, Texas requests the submission of qualifications statements, which will lead to the possible award of a contract to provide Financial Advisor and Bond Counsel services for projects involving the City's Water and Wastewater Facilities.

Scope of Work

The City of Montgomery, Texas has submitted applications for funding for projects through the Texas Water Development Board's (TWDB) Drinking Water State Revolving Fund (DWSRF) Program and for Equivalency funding through the Clean Water State Revolving Fund (CWSRF) Program. Two separate programs will be administered. The DWSRF program will consist of multiple projects. The CWSRF program will also consist of multiple projects.

The City seeks the services of qualified Financial Advisor consultants for these programs. The services to be provided by the Financial Advisor shall include, but are not limited to, direction and coordination of all programs of financing, specifically including preparation and coordination of filing an application with the TWDB for loan or grant assistance; advise the City of current bond market conditions; recommend method of sale of debt instruments; advise publications of forthcoming sales; arrange for reports of independent consultants; recommend as to the advisability of obtaining credit ratings and coordinate preparation and submission of information to rating agencies; coordinate, prepare and submit required information to recognized bond insurance companies for insurance qualification, including for a TWDB loan; coordinate efforts for delivery of debt instruments and preparation and verification of closing figures; maintain liaison with Bond Counsel in preparation of all legal documents; counsel in selection of paying agent/registrar; print all debt instruments; deliver schedule of annual debt requirements on debt instruments; attend meetings as requested; advise of changes in Federal and State laws and regulations; advise on investment of funds as requested; advise and assist in exercising any call and/or refunding; advise and assist in the development of long-range financing plan; provide all financing planning services as requested; testify in litigation as requested; and make recommendation on matters of credit enhancement.

The City seeks the services of qualified Bond Counsel consultants for these programs. The services to be provided by the Bond Counsel shall include, but are not limited to, assist in preparing legal documents in connection with the financing program; render an objective legal opinion with respect to assessing the viability of authorizing and issuing evidences of indebtedness; examine applicable law; prepare the Ordinance and other authorizing documents; consult with the parties to the transaction prior to the issuance of the Obligations; secure TWDB and Texas Attorney General approval of the Obligations and the registration of the Obligations by the Comptroller of Public Accounts of the State of Texas; review certified proceedings; undertake such additional duties as deemed necessary to render the opinion with respect to each Obligations issue.

Guidelines for Content of Qualification Statements

DO NOT INCLUDE COST INFORMATION with the qualification statement. Responses that include cost or pricing information will be rejected and will not be considered by the City.

Detailed instructions on preparation of the qualification statement must be obtained from the City. For more information on preparing and submitting the qualification statement, contact Jack Yates, City Administrator, at City of Montgomery, 101 Old Plantersville Rd, Montgomery, Texas 77356, (936) 597-6434. This information should be requested as soon as possible in order to allow time to prepare the document and comply with the procedures. Please indicate if the request is for the financial advisor or the bond counsel RFQ package.

Submittal Deadline

Ten (10) copies of the qualifications statement along with a pdf version on a thumb drive must be filed with the City by: 3:00 p.m. on November 28, 2016. Any submittal received after this time will not be considered.

Minimum Qualifications and Selection Criteria

The City will evaluate the proposals to determine which firm for each discipline has the best qualifications. The evaluation criteria shall consist of qualifications (40 points), capacity to perform (40 points), familiarity with the City of Montgomery and the TWDB (10 points), and affirmative action (10 points).

Contract Terms and Negotiation Schedule

The consultants for both financial advisor and bond counsel services are expected to negotiate agreements for services which is acceptable to the City. If an acceptable contract cannot be negotiated, the City may formally end negotiations and begin negotiating with the next highest qualified person or firm.

This contract is contingent upon release of funds from the Texas Water Development Board (TWDB). Any contract or contracts awarded under this Invitation for Bid (IFB) or Request for Qualifications (RFQ) are expected to be funded in part by a loan from the TWDB. Neither the State of Texas nor any of its departments, agencies, or employees are or will be a party to this IFB, RFQ, or any resulting contract. RFQ's are issued in accordance with Section 2254 of the Texas Government Code (Professional Services Act) and Title 40 Code of Federal Regulations, Part 31 (Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments).

This contract includes goals for Minority and Women's Business Enterprise participation. The Environmental Protection Agency (EPA) has approved the following Minority Business Enterprise (MBE) & Women Business Enterprise (WBE) "fair share goals" for the TWDB State Revolving Fund programs. EPA policy does NOT mandate that the fair share goals be achieved but does mandate that a documented good faith effort be made toward achieving the goals.

	<u>MBE</u>	<u>WBE</u>
<b>CONSTRUCTION</b>	<b>12.94%</b>	<b>8.72%</b>
<b>SUPPLIES</b>	<b>9.68%</b>	<b>9.34%</b>
<b>EQUIPMENT</b>	<b>7.12%</b>	<b>5.39%</b>
<b>SERVICES</b>	<b>10.84%</b>	<b>5.72%</b>

Prime contractors are required to comply with EPA's good faith effort policy when awarding sub-agreements for construction, supplies, equipment, and services. A complete version of TWDB document, "*Guidance for Utilization of Small, Minority, and Women-Owned Businesses in Procurement*", is available at: [www.twdb.texas.gov/financial/instructions/doc/TWDB-0210.pdf](http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0210.pdf)

The City of Montgomery is an affirmative action/equal opportunity employer. All qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, handicap or national origin. Small, minority, and women-owned business enterprises are encouraged to submit proposals.

Susan Hensley, City Secretary  
(936) 597-6434

# Financial Advisor Rating Sheet

Grant Recipient \_\_\_\_\_

TWDB Contract No. \_\_\_\_\_

Name of Respondent \_\_\_\_\_

Date of Rating \_\_\_\_\_

Evaluator's Name \_\_\_\_\_

**Experience** -- Rate the respondent for experience in the following areas:

<u>Factor</u>	<u>Max.Pts.</u>	<u>Score</u>
1. Has previously issued Advisory services on TWDB projects	20	_____
2. Has worked on federally funded construction projects	10	_____
3.. Has worked on relevant projects that were located in this general region.	10	_____
4. Extent of experience in public debt issues	20	_____ _____
<b>Subtotal, Experience</b>	<b>60</b>	_____ _____

## **Work Performance**

<u>Factor</u>	<u>Max.Pts.</u>	<u>Score</u>
1. Past projects completed on schedule	10	_____
2. Manages projects within budgetary constraints	5	_____
3. Work product is of high quality	10	_____ _____
<b>Subtotal, Performance</b>	<b>25</b>	_____ _____

NOTE: Information necessary to assess the respondent on these criteria should be gathered by contacting past/current clients.

## **Capacity to Perform**

<u>Factor</u>	<u>Max.Pts.</u>	<u>Score</u>
1. Staff Level / Experience of Staff	5	_____
2. Adequacy of Resources	5	_____
3. Professional liability insurance is in force	5	_____ _____
<b>Subtotal, Capacity to Perform</b>	<b>15</b>	_____ _____

## **TOTAL SCORE**

<u>Factor</u>	<u>Max.Pts.</u>	<u>Score</u>
<input type="checkbox"/> Experience	60	_____
<input type="checkbox"/> Work Performance	25	_____
<input type="checkbox"/> Capacity to Perform	15	_____ _____
<b>Total Score</b>	<b>100</b>	_____ _____